

Message Text

LIMITED OFFICIAL USE

PAGE 01 GENEVA 10290 071513Z
ACTION STR-07

INFO OCT-01 EUR-12 IO-13 ISO-00 STRE-00 JUSE-00
AGRE-00 CEA-01 CIAE-00 COME-00 DODE-00 EB-08
FRB-03 H-01 INR-10 INT-05 L-03 LAB-04 NSAE-00
NSC-05 PA-01 CTME-00 AID-05 SS-15 ITC-01 TRSE-00
ICA-11 SP-02 SOE-02 OMB-01 DOE-15 /126 W
-----046430 071737Z /46

P 071500Z JUL 78
FM USMISSION GENEVA
TO SECSTATE WASHDC PRIORITY 1744
INFO AMEMBASSY BUDAPEST

LIMITED OFFICIAL USE GENEVA 10290

USMTN

ACTION STR PASS ELECTRONICALLY
STR PASS CODEL

E.O.11652:N/A
TAGS: EEWT, ETRD, MTN, HU
SUBJECT: US-HUNGARIAN BILATERAL DISCUSSIONS

1. DURING CULBERT/BARRACLOUGH MEETING WITH NYERGES JULY 7
IT WAS AGREED TO HOLD BILATERAL DISCUSSIONS ON U.S. TARIFF
REQUESTS IN WASHINGTON MONDAY, JULY 24. WE ASSURED NYERGES
THAT HE WOULD HAVE LIST OF TARIFF LINES OF INTEREST TO U.S.
PRIOR TO JULY 24 AND, HOPEFULLY, AS SOON AS NEXT WEEK.
2. WE ALSO INDICATED WE EXPECTED TO TABLE OUR NTM REQUESTS
IN GENEVA EARLY NEXT WEEK AND STRESSED POLITICAL IMPORTANCE
OF A WRITTEN RESPONSE FROM HUNGARY BY JULY 15.
3. REGARDING EC-HUNGARIAN TALKS IN GENEVA THIS WEEK,
NYERGES SAID THE EC WAS UPSET WITH HUNGARY'S CONDITIONING

LIMITED OFFICIAL USE

PAGE 02 GENEVA 10290 071513Z

CERTAIN OF ITS TARIFF OFFERS ON PROGRESSIVE ELIMINATION OF
DISCRIMINATORY QR'S. SINCE EC SAID THAT THIS CONDITION
WAS UNACCEPTABLE, NYERGES SAW NO POSSIBILITY OF MOVEMENT.
HE DID INDICATE, HOWEVER, THAT HUNGARY COULD INCREASE ITS
GLOBAL QUOTA FOR CONSUMER GOODS BUT WITHOUT ANY COMMITMENT
TO ALLOCATION. EC APPARENTLY HINTED AT MORE FLEXIBILITY
IF HUNGARY WOULD OFFER A GENERAL COMMITMENT TO DIVERSIFY

AND INCREASE ITS IMPORTS. NYERGES TURNED THIS DOWN BUT TOLD US IT MIGHT BE CONSIDERED IF EC WOULD FIRST TAKE A TANGIBLE STEP TOWARD ELIMINATION OF DISCRIMINATORY QR'S. HE PERSONALLY DOUBTS, HOWEVER, THAT EC WOULD TAKE SUCH A STEP.

4. NYERGES AGAIN NOTED THAT ITEMS IN THEIR OFFER SUBJECT TO CONDITIONALITY WERE THOSE WHERE EC SUPPLIES 75 PERCENT OR MORE OF HUNGARIAN IMPORTS. HUNGARY IS WILLING TO REDUCE THE TARIFF WHEN EC FALLS TO LESS THAN 50 PERCENT. HE ALSO SAID HUNGARY IS PREPARED TO MAKE EX-OUTS AND TAKE POTENTIAL FUTURE SUPPLIER POSITION INTO ACCOUNT TO AVOID EFFECT ON OTHERS OF ITS POSITION VIS-A-VIS THE EC.

5. NYERGES INDICATED THAT HUNGARY IS PREPARED TO JOIN IN A SUBSIDY/COUNTERVAILING DUTY CODE IF IT INCLUDES LANGUAGE THAT PERMITS DETERMINATION OF A SUBSIDY IN STATE TRADING COUNTRIES ALONG LINES U.S. IS CONSIDERING ON DUMPING CODE. HE SAID HE HAD INDICATIONS THAT POLAND AND CZECHOSLOVAKIA MIGHT TAKE THE SAME POSITION.

6. ACTION REQUESTED: PLEASE SEND NTM REQUESTS SOONEST. NYERGES HAS INSTRUCTED HIS GENEVA DELEGATION TO TELEX OUR REQUESTS DIRECTLY TO HIM IN BUDAPEST WHICH HE SAYS WILL BE FASTER THAN HAVING EMBASSY BUDAPEST ARRANGE APPOINTMENT WITH HIM.
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 GENEVA 10290 071513Z

7. DRAFTED BY BARRACLOUGH. MCDONALD

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: EAST WEST TRADE, NEGOTIATIONS, TRADE AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 07 jul 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978GENEVA10290
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780279-0535
Format: TEL
From: GENEVA USMTN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780787/aaaacvdc.tel
Line Count: 96
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: c864e779-c288-dd11-92da-001cc4696bcc
Office: ACTION STR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2090874
Secure: OPEN
Status: NATIVE
Subject: US-HUNGARIAN BILATERAL DISCUSSIONS
TAGS: EEWT, ETRD, HU, US, MTN
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/c864e779-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014